

Centers for Medicare & Medicaid Services, HHS

§ 434.78

(c) Specify when the capitation fee must be paid.

§ 434.14 [Reserved]

Subpart C [Reserved]

Subpart D—Contracts With Health Insuring Organizations

§ 434.40 Contract requirements.

(a) Contracts with health insuring organizations that are not subject to the requirements in section 1903(m)(2)(A) must:

(1) Meet the general requirements for all contracts and subcontracts specified in § 434.6;

(2) Specify that the contractor assumes at least part of the underwriting risk and;

(i) If the contractor assumes the full underwriting risk, specify that payment of the capitation fees to the contractor during the contract period constitutes full payment by the agency for the cost of medical services provided under the contract;

(ii) If the contractor assumes less than the full underwriting risk, specify how the risk is apportioned between the agency and the contractor;

(3) Specify whether the contractor returns to the agency part of any savings remaining after the allowable costs are deducted from the capitations fees, and if savings are returned, the apportionment between agency and the contractor; and

(4) Specify the extent, if any, to which the contractor may obtain reinsurance of a portion of the underwriting risk.

(b) The contract must—

(1) Specify that the capitation fee will not exceed the limits set forth under part 447 of this chapter.

(2) Specify that, except as permitted under paragraph (b) of this section, the capitation fee paid on behalf of each beneficiary may not be renegotiated—

(i) During the contract period if the contract period is 1 year or less; or

(ii) More often than annually if the contract period is for more than 1 year.

(3) Specify that the capitation fee will not include any amount for recoupment of any specific losses suffered by the contractor for risks as-

sumed under the same contract or a prior contract with the agency; and

(4) Specify the actuarial basis for computation of the capitation fee.

(c) The capitation fee may be renegotiated more frequently than annually for beneficiaries who are not enrolled at the time of renegotiation or if the renegotiation is required by changes in Federal or State law.

[55 FR 51295, Dec. 13, 1990]

Subpart E [Reserved]

Subpart F—Federal Financial Participation

SOURCE: 48 FR 54020, Nov. 20, 1983, unless otherwise noted. Redesignated at 55 FR 51295, Dec. 13, 1990.

§ 434.70 Conditions for Federal Financial Participation (FFP).

(a) *Basic requirements.* FFP is available only for periods during which the contract—

(1) Meets the requirements of this part;

(2) Meets the applicable requirements of 45 CFR part 74; and

(3) Is in effect.

(b) *Basis for withholding.* CMS may withhold FFP for any period during which the State fails to meet the State plan requirements of this part.

[67 FR 41095, June 14, 2002]

§ 434.76 Costs under fiscal agent contracts.

Under each contract with a fiscal agent—

(a) The amount paid to the provider of medical services is a medical assistance cost; and

(b) The amount paid to the contractor for performing the agreed-upon functions is an administrative cost.

§ 434.78 Right to reconsideration of disallowance.

A Medicaid agency dissatisfied with a disallowance of FFP under this subpart may request and will be granted reconsideration in accordance with 45 CFR part 16.

PART 435—ELIGIBILITY IN THE STATES, DISTRICT OF COLUMBIA, THE NORTHERN MARIANA ISLANDS, AND AMERICAN SAMOA

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MANDATORY COVERAGE OF PREGNANT WOMEN, CHILDREN UNDER 19, AND NEWBORN CHILDREN

- 435.116 Pregnant women.
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MANDATORY COVERAGE OF QUALIFIED FAMILY MEMBERS

- 435.118 Infants and children under age 19.

MANDATORY COVERAGE FOR INDIVIDUALS AGE 19 THROUGH 64

- 435.119 Coverage for individuals age 19 or older and under age 65 at or below 133 percent FPL.

MANDATORY COVERAGE OF THE AGED, BLIND, AND DISABLED

- 435.120 Individuals receiving SSI.
- 435.121 Individuals in States using more restrictive requirements for Medicaid than the SSI requirements.
- 435.122 Individuals who are ineligible for SSI or optional State supplements because of requirements that do not apply under title XIX of the Act.
- 435.130 Individuals receiving mandatory State supplements.
- 435.131 Individuals eligible as essential spouses in December 1973.

- 435.132 Institutionalized individuals who were eligible in December 1973.
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- 435.134 Individuals who would be eligible except for the increase in OASDI benefits under Pub. L. 92–336 (July 1, 1972).
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- 435.137 Disabled widows and widowers who would be eligible for SSI except for the increase in disability benefits resulting from elimination of the reduction under Pub. L. 98–31.
- 435.138 Disabled widows and widowers aged 60 through 64 who would be eligible for SSI benefits except for receipt of early social security benefits.

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- 435.139 Coverage for certain aliens.

MANDATORY COVERAGE OF ADOPTION ASSISTANCE AND FOSTER CARE CHILDREN

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OPTIONS FOR COVERAGE OF FAMILIES AND CHILDREN AND THE AGED, BLIND, AND DISABLED

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- 435.211 Individuals who would be eligible for cash assistance if they were not in medical institutions.
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- 435.218 Individuals with MAGI-based income above 133 percent FPL.

OPTIONS FOR COVERAGE OF FAMILIES AND CHILDREN

- 435.220 Individuals who would meet the income and resource requirements under AFDC if child care costs were paid from earnings.